totals show the Education Cess credited in all the treasuries in the Province, the aggregate expenditure incurred in all the districts and the unspent balance of the cess in the Province at the end of the month.

Abstract of Education Cess collected in the several districts, expenditure incurred therefrom and the balance available, for the year 192 -2

Months	Bangalore District			Kolar District			Tumkur District			Mysore District			Total		
	Receipt	Expenditure	Balance	Receipt	Expenditure	Balance	Receipt	Expenditure	Balance	Receipt	Expenditure	Balance	Receipt	Expenditure	Balance
Balance on 1st July 1922															
July ...															
August ...															
September ...															
October ...															
November ...															
December ...															
January 1923															
February ...															
March ...															
April ...															
May ...															
June ...															
Total ...															

GENERAL SECRETARIAT.

Regulating the Work in the Department of Co-operation.

READ—

Government Order No. 6652-700—A. & E. 67-15-20, dated 15th May 1916, passing orders on the apportionment of work between the Registrar and Assistant Registrar of Co-operative Societies in Mysore.

2. Government Order No. 12180-6—I. & C. 66-17-53, dated 18th June 1918, sanctioning the re-organization of the Co-operative Department.

3. Government Order No. 6296-7 I & C. 8-18-112, dated 9th January 1919, revising the establishment of the Registrar of Co-operative Societies in Mysore.

4. Government Order No. L. 1534—C. S. 16-22-1, dated 12th August 1922, reviewing the Note of Inspection of the Office of the Registrar of Co-operative Societies by the Efficiency Auditor.

5. Government Order No. L. 2119-80—C. S. 21-22-1, dated 6th September 1922, passing orders regarding retrenchments in the Department of Co-operation.

ORDER No. L. 4769-73—C. S. 37-22-2, DATED 3RD—6TH JANUARY 1923.

Government have had under consideration for some time past the question of improving the organization and working of the Co-operative Department. The scale of superior staff of the Department as it now stands was fixed in Government Order No. 12180-6—I. & C. 66-17-53 of the 18th June 1918, when the total number of Co-operative Societies in the State was 1,097. Since then the number of societies has increased to 1,522, and is too large for the existing staff to exercise adequate supervision. The control of the Department over these institutions has consequently become lax. Representations have been made to Government that there is inordinate delay in the disposal of suits filed by the Co-operative Societies as well as in the execution of decrees passed in such suits and that in consequence the stability of many societies is seriously affected. As many as 304 societies, or about one-fifth of the total number, are reported, to be in a languishing condition. Having examined the work of the Department in detail Government consider that in order to remedy these and other defects that have come to their notice, it is necessary to strengthen the controlling staff, to revise the charges of the subordinate executive and to prescribe definite plan to regulate the work of the Department.

2. *Gazetted Staff of the Department.*—Excluding the recently appointed Probationer, there are at present three Gazetted subordinates in the Department, *viz.*, two Assistant Registrars and a Personal Assistant to the Registrar. The two Assistant Registrars are in charge of the Mysore and the Shimoga Divisions, the former comprising the districts of Mysore, Bangalore and Hassan and the latter the remaining districts excepting Kolar, the Registrar

being in direct charge of the societies in the Kolar District and the Bangalore City. The Personal Assistant, besides doing the work of Office Assistant to the Registrar, attends to suits referred to him by the Registrar for disposal.

There are about 650 societies in each division and the Assistant Registrars are expected to inspect every society at least once in two years. The number of societies is too large to admit of inspection of every society even once during this period. With current office work and the disposal of suits in addition, the charge of an Assistant Registrar is heavy. Further, the Shimoga Division comprising, as it does the four districts of Shimoga, Kadur, Tumkur and Chitaldrug is too unwieldy. It is therefore necessary to lighten the existing division charges and Government are accordingly pleased to increase the number of Assistant Registrars from two to four—one for a group of two districts as noted in the margin, with headquarters at Mysore, Bangalore, Tumkur and Shimoga, respectively.

1. Mysore and Hassan Districts.
2. Bangalore (with the exception of Bangalore City) and Kolar Districts.
3. Tumkur and Chitaldrug Districts.
4. Shimoga and Kadur Districts.

The divisions as thus re-grouped will each contained about 400 societies except the last which will have about 275 societies only. The work in the Shimoga Division will not however be less than in the other divisions, considering the want of facilities for travelling and the need for special attention to the co-operative movement in the Maland.

The Registrar, having to devote his attention to general supervision and to higher problems of organization and development will be in direct charge of the societies in the Bangalore City only.

3. The post of Personal Assistant to the Registrar will be abolished as there is not sufficient office work to require an Assistant. The nature of the correspondence in general is not such as to require immediate attention, and the Manager should be able to look after the office during the Registrar's absence on tour.

4. *Inspectorate.*—There are 42 Inspectors, 24 of them belonging to the permanent cadre of the Department, 9 temporary and 9 *pro-rata*. Nine of the Inspectors are employed solely on the work of auditing the accounts of societies and three are attached to the office of the Registrar for being in charge of—

1. Industrial Co-operative Societies.
2. Agricultural Co-operative Societies.
3. Weavers' Co-operative Societies, and societies in the Bangalore City.

The arrangement of having one set of officers for inspection and another for auditing the accounts is unsatisfactory. This division of responsibility does not make for efficient control over the affairs of Co-operative Societies and should cease.

The employment of three Inspectors directly under the Registrar for special types of Co-operative Societies is justified on the ground that these societies are under the direct control of the Registrar, the Registrar having to take action in consultation with the Technical Heads of Departments concerned. But this explanation is not convincing as it is open to the Registrar to issue instructions to his Assistants after necessary consultation: Besides, the Assistant Registrars have not been divested of their responsibility in regard to such societies situated in their respective divisions. Responsibility thus ill-defined is hardly conducive to the progress of Agricultural and Industrial Co-operation to which the Department is expected to give special attention. Separate Inspectors for Agricultural and Industrial Co-operative Societies cannot be justified as the number of such societies is small and they are in fact employed on other work to keep them fully occupied. Besides, for the promotion of the Agricultural and Industrial co-operation, the initiative has to be taken ordinarily by the officers of the respective technical departments, those of the Co-operative Department doing only general propogandistic work and assisting in the actual organization of societies when the preliminaries are settled by the former. The mere appointment of Special Inspectors for these branches of co-operation is not likely to further that object. Government therefore direct that only one Inspector be retained in the office of the Registrar to be in charge of the societies in the Bangalore City and work under the direct control of the Registrar. He may also be deputed for the organization of Industrial and Agricultural Co-operative Societies whenever necessary.

By doing away with Auditor-Inspectors and Special Inspectors for Industrial and Agricultural Co-operation, the strength of the Inspectorate will be reduced to 31. But some of the Inspectors' charges are now heavy and a few more Inspectors will be necessary for a proper redistribution of work. The number of Inspectors will therefore be fixed at 33. This will give about 40 societies to each Inspector. The Registrar is requested to submit proposals for revising the charges of Inspectors accordingly.

The societies should be classified into those which are capable of making their own arrangements for the annual audit of their accounts and those whose accounts are to be audited

by the Inspectors. This will give an idea of the volume of work for each Inspector and should also be considered in determining the territorial limits of an Inspector's range.

5. *Clerical and Menial Establishment.*—There are now in the Department one Manager and 22 clerks in the permanent cadre and 3 clerks appointed under the *pro-rata* arrangement, the menial establishment consisting of 26 permanent, 34 temporary and 8 *pro-rata* men. The establishment is overmanned and it should be possible to provide from the existing number of the staff required for the two new divisions now sanctioned.

6. *Financial effect of the proposal.*—The reduction of establishment proposed above will result in a saving of Rs. 832½ per mensem as follows:—

9	Inspectors on Rs. 55 each ...	Rs. 495
1	Personal Assistant on Rs. 150—10—200 ...	„ 187½
1	Probationer ...	„ 150
	Total ...	Rs. 832½

Against this saving, the additional expenditure involved by the creation of two more divisions will amount to Rs. 700 (average) per mensem on account of the pay of two Assistant Registrars on Rs. 250—50—3—450.

As a result of these changes the cost of the Co-operative Department will be at present reduced by Rs. 1,590 per annum as against Rs. 4,620 which was the reduction effected in Government Order No. L. 2119-80—C. S. 21-22-1, dated 6th September 1922 under the retrenchment scheme. In view of the urgent necessity to improve the efficiency of this Department and give greater impetus to Co-operative Sociecties, Government find it necessary to modify the scheme in certain respects. The difference will be more than met from the additional revenue expected to be realised under court fees in co-operative suits in future which will no longer be exempt from such fees.

7. The progress and popularity of the Co-operative Movement depends largely upon speedy settlement of the claims of Co-operative Societies and timely distribution of the annual dividends to the shareholders. Government desire that the officers of the Department should pay particular attention to those matters and regulate their methods of work on the lines indicated in the appendix to this order.

G. ARAVAMUDU IYENGAR,
Secy. to Govt., Genl. Dept.

APPENDIX.

INSTRUCTIONS FOR THE QUICK DISPOSAL OF CO-OPERATIVE SUITS, ETC.

(1) There must be fixed stations at convenient distances in each taluk for holding the court. These should be fixed beforehand every year in the month of July and notified in the Gazette with the dates of hearing. As each case comes up, it should be posted to the proper Sessions at which it will be heard and the fact notified to the parties. Three or four places in each taluk may be selected every year for holding the Assistant Registrar's Court.

(2) Appeals should as a rule, be heard by the Registrar at Bangalore.

(3) Only contested cases, *i.e.*, cases in which a written statement has been filed contesting the whole or a portion of the claim, should be referred to arbitration by the agreement of the parties and not arbitrarily by the Registrar or Assistant Registrar. Such references should be sparingly made as they do not conduce to a speedy disposal of suits which are adjourned from time to time owing to the Arbitrators failing to meet on the appointed dates of hearing.

(4) The Assistant Registrars may also refer cases to arbitration on their own authority.

(5) No officer of the Department should sit on the Board of Arbitrators.

(6) The cases being generally of a small-cause nature, their duration should not generally exceed three months. Explanation in cases pending for over six months should be submitted to the Registrar who should review the same and submit a copy of the review to Government.

(7) At present, appeals are entertained on the mere application of a party expressing a desire to appeal. No appeal petition should in future be entertained unless it contains the grounds of appeal. The Rules under the Co-operative Societies Regulation will be suitably amended.

(8) The departmental officers should have, besides a knowledge of the principles of co-operation, a good grounding in the system of auditing accounts and the procedure relating to the trial of suits. A training for a few months in a Munsiff's Court should also be arranged for in the case of higher officers.